

**VanNess  
Feldman**  
ATTORNEYS AT LAW

A PROFESSIONAL CORPORATION  
1000 Thomas Jefferson Street, N.W.  
Washington, D.C. 20007-3877  
(202) 298-1800 Telephone  
(202) 338-2418 Facsimile

Seattle, Washington  
(206) 629-8372

February 3, 2011

Ms. Cynthia Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423-0001

228753

Re: Ex Parte No. 705, Competition in the Railroad Industry

Dear Ms. Brown:

Consumers United for Rail Equity (CURE) represents rail customers who depend on the Class I railroads for their transportation. The regulatory program of the Board with respect to competitive access is profoundly important to the members of our group. We are pleased that the Board has initiated this proceeding to review the state of competition in the rail industry today so as to determine whether changes are needed to current competitive access and related policies of the Board.

Our rail customer members welcome the initiation of this proceeding and believe it is long overdue. Most of our members suffer adverse effects on their businesses every day due to unfavorable railroad rates and service. Moreover, we believe that the current rail regulatory program, by denying access to competition for many American rail customers, favors foreign imports with the lowest possible rates, while imposing significantly higher rates and less reliable service on many domestic manufacturers and producers. Every day the Board delays addressing the problems with its current regulatory policies, American companies, American consumers and American jobs suffer.

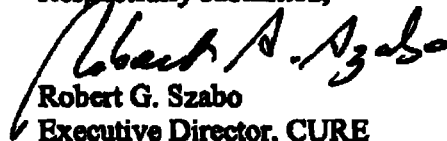
The railroad industry, on the other hand, not surprisingly favors the *status quo*. The *status quo* is the favored position in any regulatory program; the reasons that current policies were adopted by the Board and its predecessor are well-understood. We, the rail customers, on the other hand recognize that we carry the burden of convincing the Board to make changes in its policies. We are ready to proceed on the schedule set forth by the Board in its January 11<sup>th</sup> notice.

Yet, the railroad industry, as represented by the Association of American Railroads and the American Short Line and Regional Railroad Association, has indicated to the Board that it needs an extension of time of up to 90 days to make its opening case to protect the *status quo*.

We believe the time is long since past for the Board to engage in this review. We oppose any extension of time for filing comments in this proceeding. If the Board believes an extension is necessary, then we strongly encourage the Board to restrict that extension to 30 days at most, for opening and reply comments and for the date of the hearing.

Thank you for considering the views of Consumers United for Rail Equity on this issue.

Respectfully submitted,



Robert G. Szabo  
Executive Director, CURE  
Michael F. McBride

Attorneys for Consumers United for  
Rail Equity